

STAT

ARTICLE APPEARED  
CN PAGE A-9NEW YORK TIMES  
3 APRIL 1982

## Smith Pressing Reagan to Oust Coast Attorney

### Discloser of an Agent's Role Remaining Silent

By EDWARD T. POUND

Special to The New York Times

WASHINGTON, April 2 — Attorney General William French Smith has recommended that President Reagan dismiss the United States Attorney in San Diego if he refuses to resign for disclosing the identity of a key American intelligence source, Administration officials said today.

White House officials said they expected the President to follow Mr. Smith's recommendation. The San Diego prosecutor, William H. Kennedy, a Republican appointed by Mr. Reagan last year, has not indicated that he will step aside. His office said today that he had no comment on the latest development in his case.

Mr. Kennedy angered his superiors in the Justice Department when he told The San Diego Union last week that the Central Intelligence Agency had played a role in blocking prosecution of the intelligence source, Miguel Nassar Haro, in a major criminal case. Mr. Nassar is the former chief of Mexico's national police, the Directorate of Federal Security.

The newspaper's interview quoted Mr. Kennedy quoted as saying that since November the Justice Department had been withholding approval to indict Mr. Nassar in an \$8 million case involving automobile theft because the agency had advised the department that Mr. Nassar was its "most important source in Mexico and Central America."

#### Possible Links to Central America

Some of the information provided by Mr. Nassar, according to Reagan Administration officials, involved the activities of guerrilla leaders from El Salvador and Guatemala.

Mr. Kennedy was summoned here Monday to meet with Deputy Attorney General Edward C. Schmults and Rudolph W. Giuliani, the Associate Attorney General. Justice Department officials said he had been sharply criticized.

On Wednesday, a Justice Department official telephoned Mr. Kennedy and asked him to resign, the officials said. Mr. Kennedy did not return phone calls from a reporter today and a spokesman for Mr. Kennedy said that he was not



United Press International

William H. Kennedy, the United States Attorney for San Diego.

commenting on any aspect of the case.

Mr. Smith and the White House counsel's office have been discussing Mr. Kennedy's status. Mr. Smith told the White House he "wants the guy out," according to one official, who said the President was expected to endorse Mr. Smith's position. A Justice Department official said he was certain that Mr. Kennedy would be dismissed if he refused to resign.

#### Subject to Removal by President

Federal law provides that "each United States Attorney is subject to removal by the President." Mr. Kennedy began his four-year term last November.

Mr. Nassar became the head of Mexico's national police in January 1977 and left the post last January. His whereabouts are unknown. He has been implicated by United States Federal investigators in a ring that has stolen more than \$8 million in automobiles from the San Diego area and smuggled them to Mexico.

A Federal grand jury in San Diego last year indicted 28 Mexicans, including three agents of the Directorate of Federal Security, for participating in the ring. Justice Department officials said Mr. Nassar had been implicated by two defendants.

Reagan Administration officials said that under Mr. Nassar, the Mexican national police conducted joint operations with the C.I.A. and passed on sensitive information about Soviet and Cuban assistance to guerrilla forces in El Salvador.